



# General Facility Charges June 2023 Update

City of Spokane



# What's Happening

- **Mayor's GFC Review Committee**
  - Held 5 meetings, completing our GFC Education Series with this group
  - Will hold one more meeting to receive feedback from committee members
- **Additional Outreach**
  - Completed presentations to AGC, Housing Action Subcommittee and Sustainability Action Subcommittee.
  - Still need to present to Equity Subcommittee
  - Continuing Email outreach to stakeholders
  - Updated info on the City's web site (FAQs, Review Committee recording)
  - Work with PDAs also will continue
- **Incentives**
  - PW and CED are working on a funding option for incentives

# Review Committee Explorations

- **One or Two Zones Citywide for Water**
  - One Zone makes the traditional waiver area more expensive
  - But also makes the south hill, US195 area, and others more affordable
- **Interest**
  - Represents the “carrying cost” of investments already made
  - Without interest, more cost borne by monthly bill payers
  - Allowed by State law, but not required
- **ERUs v. MCEs**
- **5/8ths meter option**

# Water – City Wide Charge

Meter Size	Adopted Low Zone March 2024	Adopted Upper Zone March 2024	City-Wide Calculated Charge	City-Wide Calculated Charge – No Interest
¾ inch	\$2,823	\$10,407	\$4,881	\$4,285
1 inch	\$4,705	\$17,345	\$8,135	\$7,141
1.5 inch	\$9,409	\$34,690	\$16,269	\$14,282
2 inches	\$15,055	\$55,503	\$26,031	\$22,851
3 inches	\$32,932	\$121,413	\$56,943	\$49,987
4 inches	\$56,455	\$208,137	\$97,617	\$85,692
6 inches	\$127,025	\$468,309	\$219,638	\$192,808
8 inches	To be calc.	To be calc.	To be calc.	To be calc.
10 inches	To be calc.	To be calc.	To be calc.	To be calc.

# Water GFCs - Removing Interest

Meter Size	Adopted Low Zone March 2024	Low Zone –No Interest	Adopted Upper Zone March 2024	Upper Zone –No Interest
¾ inch	\$2,823	<b>\$2,281</b>	\$10,407	<b>\$9,635</b>
1 inch	\$4,705	<b>\$3,802</b>	\$17,345	<b>\$16,059</b>
1.5 inch	\$9,409	<b>\$7,604</b>	\$34,690	<b>\$32,117</b>
2 inches	\$15,055	<b>\$12,167</b>	\$55,503	<b>\$51,387</b>
3 inches	\$32,932	<b>\$26,615</b>	\$121,413	<b>\$112,410</b>
4 inches	\$56,455	<b>\$45,625</b>	\$208,137	<b>\$192,703</b>
6 inches	\$127,025	<b>\$102,657</b>	\$468,309	<b>\$433,582</b>
8 inches	To be calc.	To be calc.	To be calc.	To be calc.
10 inches	To be calc.	To be calc.	To be calc.	To be calc.

# Wastewater GFCs – Removing Interest

Meter Size	Adopted for March 2024 and beyond	March 2024 Sewer Charge – No Interest
¾ inch	\$7,461	\$5,639
1 inch	\$12,435	\$9,398
1.5 inch	\$24,870	\$18,787
2 inches	\$39,792	\$30,075
3 inches	\$87,046	\$65,789
4 inches	\$149,221	\$112,781
6 inches	\$335,747	\$253,758
8 inches	To be calc.	To be calc.
10 inches	To be calc.	To be calc.

# ERU vs. MCE

These are just two ways to scale the GFCs for larger customer demands

## ERU = Equivalent Residential Unit

Estimates the average peak demand of residential customers. Connections with larger demands are scaled up based on the initial ERU value.

*E.g. One ERU = 1,100 GPD. A connection requiring 1,400 GPD is 1.3 ERU (= 1,400 GPD/1,100 GPD)*

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## MCE = Meter Capacity Equivalency

Estimates the average peak demand of residential customers. Connections with larger demands are scaled based on standardized meter capacity values.

*E.g. One ERU = 1,100 GPD per 3/4" meter. The 3/4" meter at full capacity is 30GPM. A customer requiring a 1" meter would receive 50GPM at full capacity, or a 1.67 MCE (= 50 GPM/30 GPM).*

# GFC Calculated Both Ways

## GFC for 3/4" Meter – UPPER ZONE

Basis	Water GFC	Sewer GFC
MCE Basis	\$10,407	\$7,461
ERU Basis	\$10,285	\$7,000
Difference	1.2%	6.6%

## GFC for 3/4" Meter – LOWER ZONE

Basis	Water GFC	Sewer GFC
MCE Basis	\$2,823	\$7,461
ERU Basis	\$2,790	\$7,000
Difference	1.2%	6.6%

All calculations include the same costs per zone, but they are divided by different numbers of units.



# GFC Calculated Both Ways – Single Zone

## GFC for 3/4" Meter

Basis	Water GFC	Sewer GFC
MCE Basis	\$4,881	\$7,461
ERU Basis	\$4,824	\$7,000
Difference	1.2%	6.6%

All calculations include the same costs per zone, but they are divided by different numbers of units.

# What About 5/8" Meters

5/8" Meters Could be Appropriate in Certain Situations:

- Spokanescape implemented
- Smaller lot size
- Smaller home size

5/8" Meter Would Cost Less

Meter Size	Lower Zone	Upper Zone
5/8" inch	\$1,882	\$6,938
3/4" inch	\$2,823	\$10,407



# Questions?

